

State of California

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Legislative Change No. 01-17

Bill Number: SB 263 Author: Johnson Chapter Number: 01-425

Laws Affecting Franchise Tax Board: Corporation Code Sections 16953 and 17050

Date Filed with the Secretary of the State: October 2, 2001

SUBJECT: Limited Liability Partnerships and Limited Liability Companies/Notice To Pay Annual Tax

Senate Bill 263 (Johnson), as enacted on October 2, 2001, made the following changes to California law:

Section 16953 of the Corporations Code is amended.

This act requires the Secretary of State (SOS) to include a notice with instructions in its registration forms for Limited Liability Partnerships (LLPs). The notice states that registering as an LLP will obligate the entity to pay an annual tax to the Franchise Tax Board (FTB). This act will require the notice to be updated annually to specify the dollar amount of the tax.

Section 17050 of the Corporations Code is amended.

This act requires the SOS to include a notice with instructions in its articles of organization forms for Limited Liability Companies (LLCs). The notice states that filing articles of organization to create an LLC will obligate the entity to pay an annual tax to the FTB. This act will require the notice to be updated annually to specify the dollar amount of the tax.

This act is effective January 1, 2002, and operative after that date.

Bureau Director

Brian Putler

Date

October 11, 2001